

By: Bell of Montgomery

H.B. No. 351

A BILL TO BE ENTITLED

AN ACT

relating to the provision of workers' compensation insurance and group accident and health insurance together in a packaged plan.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle E, Title 10, Insurance Code, is amended by adding Chapter 2056 to read as follows:

CHAPTER 2056. PACKAGED PLAN OF WORKERS' COMPENSATION AND ACCIDENT AND HEALTH INSURANCE

Sec. 2056.001. DEFINITIONS. In this chapter:

(1) "Packaged plan" means a plan offering a workers' compensation insurance policy together with a group accident and health insurance policy as described in Section 2056.002.

(2) "Workers' compensation insurance company" means a stock company, mutual insurance company, reciprocal or interinsurance exchange, or Lloyd's plan authorized to engage in the business of workers' compensation insurance in this state.

Sec. 2056.002. CONTRACT WITH ACCIDENT AND HEALTH INSURANCE COMPANY TO PROVIDE PACKAGED PLAN. (a) A workers' compensation insurance company may contract with an accident and health insurance company to offer to employers a workers' compensation insurance policy and a group accident and health insurance policy together in one packaged plan under which employees and their dependents are eligible for major medical expense coverage and employees are covered by workers' compensation insurance.

1 (b) Nothing in this chapter authorizes a workers'
2 compensation insurance company to underwrite group accident and
3 health insurance policies.

4 (c) A group accident and health insurance policy offered as
5 part of a packaged plan must be provided by an entity that is
6 authorized to write group accident and health insurance and is
7 separate from the workers' compensation insurance company.

8 (d) To the extent employees contribute to the premiums for
9 group accident and health coverage provided under a packaged plan
10 offered under this section, those contributions must exclude any
11 portion of the premiums allocated to the provision of workers'
12 compensation insurance.

13 (e) Notwithstanding any other provision of this chapter, an
14 accident and health insurance company or workers' compensation
15 insurance company that contracts to provide a packaged plan under
16 this chapter is subject to the requirements imposed on an insurance
17 company under this code for the company's respective lines of
18 insurance, including the payment of premium and maintenance taxes,
19 maintenance of reserves, and membership in a guaranty association.

20 Sec. 2056.003. RULES. The commissioner shall adopt rules
21 as necessary to implement this chapter.

22 SECTION 2. Chapter 2056, Insurance Code, as added by this
23 Act, applies only to a workers' compensation insurance policy and a
24 group accident and health insurance policy delivered, issued for
25 delivery, or renewed on or after January 1, 2024.

26 SECTION 3. This Act takes effect September 1, 2023.